

REMARKS

Claims 30, 32-34, 36-50, and 52-56 remain pending in the application. Claims 51 and 57-61 have been cancelled herein. Claims 30, 32-34, 36, 37, 41, and 48 have been amended. Reconsideration and review of the application is respectfully requested.

Before addressing the merits of the grounds of rejection, Applicants provide the following brief description of the invention. The claimed invention generally relates to a system and method for video content distribution that utilizes a portable electronic storage device configured to interface with an interactive kiosk and a set-top box. Unlike the prior art, the claimed invention makes it possible to store both the video content and the customer's use/viewing data on a portable storage devices configured to interface with kiosks that allow the customer to select the desired video content and pay for use of the video content. In one approach, a customer accesses a publicly accessible kiosk and loads video content onto the portable video content storage device. The user accesses the video content by attaching or inserting the storage device into a compatibly configured set-top box. The set top box accumulates and stores data relating the user's use/viewing of the video content on the storage device. The use data is read upon a subsequent return to the kiosk so that the user can be appropriately charged. By storing use data on the portable content storage device and transferring the use data to the kiosk upon a subsequent visit to the kiosk, it is possible to charge customers on a pay-per-view basis without the need for a separate communication link with the customer (e.g., a telephone line between a billing office and the customer's home).

The Examiner rejected Claim 51 under 35 U.S.C. § 112, second paragraph, as being indefinite – specifically, the Examiner asserts that the term “nonstandard communication protocol” is vague and indefinite. Claim 51 has been cancelled herein, without prejudice, to reduce the number of pending claims and expedite review of the remaining claims of the present application. Applicants reserve the right to pursue claims of the same or similar scope in one or more continuing applications.

The Examiner rejected Claims 30, 32-34, and 36 under 35 U.S.C. § 103(a) as being unpatentable over Allen (US 5,909,638) in view of Tatebayashi et al. (US 6,182,215), and further

in view of Abecassis (US 6,192,340), and further in view of Russo (US 5,619,247). These rejections are respectfully traversed.

With respect to Claim 30, the Examiner withdrew the previous ground of rejection but has presented a new ground of rejection. Specifically, the Examiner asserts that Allen discloses a system for distributing video content (Fig. 1; abstract), wherein the system comprises an interactive kiosk configured to be located in a public location (Fig. 16; col. 22, lines 15-40). The Examiner also asserts that Tatebayashi et al. describe a method to securely store video content on a portable video content storage device upon which digitally encoded video content is securely stored (via encryption) and to prevent unauthorized access by using an authentication protocol (Col. 5, line 65 – col. 6, line 11). According to the Examiner, Tatebayashi et al. also disclose a set-top box (Element 101 in Figs. 2 and 5; col. 10, lines 15-47) configured to receive the storage device to access and provide the video content as an output signal to a video display. According to the Examiner, Abecassis '340 discloses a removable drive/compact portable storage that could be implemented in a set-top box (Elements 104 and 105 in Fig. 1; col. 6, lines 3-28). The Examiner further asserts that Russo discloses set-top box access to a storage medium (element 110; col. 10, lines 10-65) where secured content and content use data can be stored. In view of the teachings of Allen, Tatebayashi et al., Abecassis '340, and Russo, the Examiner concludes that it would have been obvious that Allen's kiosk would be able to read content use data.

Applicants traverse this rejection and the Examiner's characterization of the cited references. A closer examination of the primary prior art reference cited by the Examiner – namely, Allen – reveals fundamental differences between the video distribution system in Allen and the video content distribution system recited in Claim 30. Allen discloses a host data center (10) and a plurality of remote manufacturing centers (20) for recording movies onto VHS tapes or other video media. As shown in Figure 1, the remote manufacturing center (20) comprises a "robotic cabinet 130 for robotic storage and retrieval of VHS cassette tapes. The tapes are retrieved from this storage cabinet 130 and loaded under robotic control into the high-speed VHS recorder within unit 115." (Col. 8, lines 35-41). In contrast, the system recited in Claim 30

comprises a portable storage device that the customer manually inserts into a first receptacle of an interactive kiosk. After the kiosk stores video content onto the portable storage device, the customer manually removes the storage device from the first receptacle and takes it with him/her. During a subsequent visit to this or a similar kiosk, the customer has the option of reusing the portable storage device and/or paying for his/her use of the previously loaded video content, which is not disclosed by any of the prior art references cited by the Examiner.

Furthermore, a *prima facie* rejection for obviousness requires: (1) a disclosure or suggestion of every element of the claim in the cited reference or references; (2) a suggestion or motivation, in the references or known to one skilled in the art, to modify or combine the references; and (3) a reasonable expectation of success. The suggestion to combine and the reasonable expectation of success must be found in the prior art. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

With regard to the first requirement for the obviousness rejection, Allen, alone or in combination with Tatebayashi et al., Abecassis '340, and Russo, must identically teach or suggest every element of Claim 30, arranged as in Claim 30. *See* M.P.E.P. § 2143, at 2100-125 (Sept. 2004). Claim 30 recites a system wherein the kiosk comprises "a first receptacle configured to receive the storage device," wherein the set-top box comprises "a second receptacle configured to receive the storage device," and wherein a portable storage device carries both the "digitally encoded video content" and the "content use data" accumulated by the set-top box. However, Allen, alone or in combination with Tatebayashi et al., Abecassis '340, and Russo, fail to teach or suggest either of these elements.

Claim 30 recites a system that comprises a portable video content storage device, wherein the storage device comprises "a memory for storing at least MPEG-2 quality video content" and "a security module that connects with the and limits access to the memory." Again, Allen, alone or in combination with Tatebayashi et al., Abecassis '340, and Russo, fail to teach or suggest these elements.

With regard to the second requirement for the obviousness rejection, there must be a suggestion or motivation to modify or combine the references either in the references or known

to one skilled in art. The Examiner has not provided information that clearly establishes that one skilled in the art would be motivated to combine Allen, Tatebayashi et al., Abecassis '340, and Russo; as such, the combination of these references fails to meet the first two requirements for an obvious rejection.

Claims 32 and 33, which depend from Claim 30, are deemed patentable for the same reasons stated above with respect to Claim 30, and because of the additional limitations set forth therein. Since the prior art references fail to teach or suggest every element of Claims 30, 32, and 33, Applicants respectfully request that the rejection of these claims be withdrawn.

With respect to Claim 34, the Examiner states that "the method of claims 34 and 36 is analyzed with respect to apparatus claim 30." To sustain this rejection of Claim 34, Allen, alone or in combination with Tatebayashi et al., Abecassis '340, and Russo, must identically teach or suggest every element of Claim 34, arranged as in Claim 34. Claim 34 recites a method that comprises "inserting a portable video content storage device configured for storing digitally encoded video content into a first receptacle of an interactive kiosk in a first location." However, Allen, alone or in combination with Tatebayashi et al., Abecassis '340, and Russo, fail to teach or suggest such a step.

Also, the Examiner has not provided information that clearly establishes that one skilled in the art would be motivated to combine Allen, Tatebayashi et al., Abecassis '340, and Russo; as such, the combination of these references fails to meet the first two requirements for an obvious rejection. Claim 36, which depends from Claim 34, is deemed patentable for the same reasons stated above with respect to Claim 34, and because of the additional limitations set forth therein. Since the prior art references fail to teach or suggest every element of Claims 34 and 36, Applicants respectfully request that the rejection of these claims be withdrawn.

The Examiner rejected Claims 37-43 and 45 under 35 U.S.C. § 103(a) as being unpatentable over Allen in view of Tatebayashi et al., and further in view of Abecassis '340, and further in view of Russo, and further in view of Cantone (US 5,734,781). The Examiner rejected Claims 44, 46, and 47 under 35 U.S.C. § 103(a) as being unpatentable over Allen in view of Tatebayashi et al., and further in view of Abecassis '340, and further in view of Russo, and

further in view of Cantone, and further in view of Abecassis (US 5,696,869).

With respect to Claim 37, the Examiner asserts that it would have been obvious to modify Allen, Tatebayashi et al., Abecassis '340, and Russo with Cantone to have a built-in controller to control functions pertaining to the storage device and protect access to the storage device. Applicants traverse this rejection and the Examiner's characterization of the cited references. In order to sustain the foregoing rejection, Allen, alone or in combination with Tatebayashi et al., Abecassis '340, Russo, and Cantone, must identically teach or suggest every element of Claim 37, arranged as in Claim 37. M.P.E.P. § 2143, at 2100-125 (Sept. 2004). Claim 37 recites a "hand-held dedicated secure video content storage device" that is "configured to be uniquely compatible with the kiosk but incompatible with industry standard electronic system and devices for accessing video content." However, Allen, alone or in combination with Tatebayashi et al., Abecassis '340, Russo, and Cantone, fail to teach or suggest such a limitation.

The Examiner has not provided information that clearly establishes that one skilled in the art would be motivated to combine Allen, Tatebayashi et al., Abecassis '340, Russo, and Cantone; as such, the combination of these references fails to meet the first two requirements for an obvious rejection. Claims 38-47, which depend from Claim 37, are deemed patentable for the same reasons stated above with respect to Claim 37, and because of the additional limitations set forth therein. Since the prior art references fail to teach or suggest every element of Claims 37-47, Applicants respectfully request that the rejection of these claims be withdrawn.

The Examiner rejected Claims 48-51 53, and 57-61 under 35 U.S.C. § 103(a) as being unpatentable over Abecassis '340 in view of Russo. The Examiner rejected Claim 52 under 35 U.S.C. § 103(a) as being unpatentable over Abecassis '340 in view of Russo, and further in view of Tatebayashi et al. Claims 54-56 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Abecassis '340 in view of Russo, and further in view of Abecassis '869.

With respect to Claim 48, the Examiner asserts that it would have been obvious to modify Abecassis '340 with Russo to accumulate and write content use data to a removable-portable storage device (Col. 3, lines 15-30). Applicants traverse this rejection and the Examiner's characterization of the cited references. In order to sustain the foregoing rejection, Abecassis

'340, alone or in combination with Russo, must identically teach or suggest every element of Claim 48, arranged as in Claim 48. M.P.E.P. § 2143, at 2100-125 (Sept. 2004). Claim 48 recites a "set top box for accessing video content stored on a portable video content storage device, ... wherein the set-top box is configured to be uniquely compatible with the storage device but incompatible with industry standard devices for transferring video content." However, Abecassis '340, alone or in combination with Russo, fails to teach or suggest such a limitation.

The Examiner has not provided information that clearly establishes that one skilled in the art would be motivated to combine Abecassis '340 and Russo; as such, the combination of these references fails to meet the first two requirements for an obvious rejection. Claims 49-56, which depend from Claim 48, are deemed patentable for the same reasons stated above with respect to Claim 48, and because of the additional limitations set forth therein. Since the prior art references fail to teach or suggest every element of Claims 48-56, Applicants respectfully request that the rejection of these claims be withdrawn.

Claims 57-61 have been cancelled herein, without prejudice, to reduce the number of pending claims and expedite review of the remaining claims of the present application. Applicants reserve the right to pursue claims of the same or similar scope in one or more continuing applications.

In view of the foregoing, the Applicants respectfully submit that Claims 30, 32-34, 36-50, and 52-56 are in condition for allowance. Reconsideration and withdrawal of the rejections is respectfully requested, and a timely Notice of Allowability is solicited. If it would be helpful to placing this application in condition for allowance, the Applicants encourage the Examiner to contact the undersigned counsel and conduct a telephonic interview.

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To the extent necessary, Applicants petition the Commissioner for a three-month extension of time, extending to July 5, 2005, the period for response to the Office Action dated January 4, 2005. A check in the amount of \$510.00 is enclosed for the three-month extension of time pursuant to 37 CFR §1.17(a)(3). The Commissioner is authorized to charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account No. 50-0639.

Respectfully submitted,



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